

Minutes of Special Meeting  
Illinois Gaming Board  
January 15, 1991

A Special Meeting of the Illinois Gaming Board was held at 10:00 a.m. on January 15, 1991, at 300 West Jefferson Street, Springfield, Illinois. the meeting was called by Chairman William J. Kunkle, Jr., and notice was duly and timely given to each Board member and to the general public in conformity with Section 2.02 of the Illinois Open Meetings Act.

The following Board members were present: William J. Kunkle, Jr., Chairman; and Members William Chamblin, Robert Gibson, J. Thomas Johnson, and Raymond Niepert.

Also present were Morton E. Friedman, Administrator; Donna More, Chief Legal Counsel; Joseph McQuaid, Deputy Administrator for Enforcement; J. Thomas Hutchison, Deputy Administrator for Finance; Gaming Officer Commanders Larry Doiron, Roger Shiels, Tom Biebel, William Eder; James Nelson, Assistant for Public Affairs and Acting Secretary of the Board; the media and the general public.

The meeting was called to order by Chairman Kunkle at 10:01 a.m. Mr. Nelson acted as Secretary of the meeting.

The first order of business was approval of the minutes of the Board meeting held on November 26 and 27, 1990. There were numerous typographical and stylistic corrections offered by the members and staff. Mr. Johnson moved and Mr. Chamblin seconded a motion to accept the minutes as amended. Chairman Kunkle called for the yeas and nays. The motion was approved by voice vote of all members.

The next order of business was to consider the postponed consideration of a license application for the Illinois River, South of Marshall County, Illinois. With leave of the body, the Administrator called upon Mr. Forest Miles, attorney for applicant Greater Peoria Riverboat Development Corporation to make the applicant's presentation to the Board.

Mr. Miles stated that the Greater Peoria Riverboat Corporation has reached an agreement with Boatworks Incorporated to combine their applications and that the Cities of Peoria and East Peoria have reached an intergovernmental agreement that will benefit both sides of the river. He also stated that Mr. Berglund of the applicant will be working with Alderman James Polk of Peoria on a specific Affirmative Action plan that will govern the employment requirements of the business. Mr. Miles then yielded to Mr. Dennis Triggs, City Attorney, City of East Peoria, who described the content and nature of the Intergovernmental Agreement.

Mr. Triggs first introduced city officials of the City of East Peoria who were present at the meeting. He also introduced Peoria city officials.

Mr. Triggs explained that the agreement which is designed to be acceptable to both local governments and will provide maximum benefits to both communities. He said that the City of Peoria has already ratified the agreement, but that because the City of East Peoria is a commission form of government, such agreements must "lay upon the table" for a period of one week. Mr. Triggs

stated that there are no problems anticipated with regard to East Peoria's ratification. In summary, the agreement calls for all revenues to be shared, 45% to each municipality, and 10% to a joint development fund of which 50% will be used by each entity for riverfront development with mutual consent of the parties.

The docking site as detailed in the original application will be located in East Peoria and permits passenger boarding and disembarkation in Peoria at the Boatworks. The agreement further recognizes that the Boatworks is an integral part of the area and will be continued as a viable project. The agreement contemplates legislative action that would allow gaming to occur while a boat is docked and allows that such docked gaming could occur at either side of the river. The agreement also requires an affirmative action plan which will reflect the statutory requirement which while not necessary for the agreement is present to establish the public policy in support of a plan. The group has also submitted a resolution adopted by the East Peoria Mass Transit Authority stating that, consistent with existing contractual obligations with the Peoria Mass Transit Authority, mass transit service will be provided in the area for employees and patrons. There will also be shuttle service between the two communities for patrons.

Mr. Friedman asked leave for counsel for Boatworks Incorporated to address the Board. Leave was granted.

Mr. Michael Ficaro, attorney for D. James Jumer, the Boatworks incorporated, addressed the Board. Mr. Ficaro stated that the agreement will serve both the area and statute. Mr. Ficaro said that as a result of the efforts of the Administrator and other interested parties in the area, the Boatworks will become part of the Greater Peoria Riverboat Development Corporation.

Mr. Friedman asked leave of the Board for the purpose of honoring the request of Mayor Richard W. Dotson to address the Board. Leave was granted.

Mayor Dotson stated the City of East Peoria was pleased and excited to play host to a gaming operation. The Mayor pledged to make the operation a model of efficiency.

Mr. Friedman asked leave of the Board to hear from Alderman James Polk of Peoria with respect to concerns that had been expressed about affirmative action. Leave was granted.

Alderman Polk stated that the new civil rights movement should be, and is, business development for minorities. He said that it is paramount, and that indeed the agreement states, that minority participation is necessary for all to benefit. Alderman Polk reported that Mr. Berglund has agreed to begin meetings to assure minority participation not only in employment, but also in supplier businesses. Alderman Polk asked for the Board's assistance in monitoring minority participation performance.

Mr. Friedman indicated there were no further requests to address the Board and suggested the Chair entertain questions.

Chairman Kunkle asked for questions and recognized Member Johnson.

Mr. Johnson asked whether officials from the City of Peoria were present to advise the Board of that municipality's support of the proposed agreement.

In response, Mr. David L. Thomas, Corporation Counsel for the City of Peoria responded that the City Council had adopted the agreement.

Mr. Johnson asked when the East Peoria dock would be ready and when could the Gaming Board expect to see a boat in operation? Mr. Triggs responded, on behalf of the applicant, that the docking facility in East Peoria will be completed at the same time as the construction of a vessel, so that the building of a dock will not delay startup of the operation next Spring, or perhaps sooner.

Mr. Johnson asked if the boat will pick up passengers in Peoria on every trip? Mr. Triggs responded that the language of the Intergovernmental Agreement is permissive and may board and de-board (sic) passengers in Peoria, but that the demand will drive the decision of how often the boat will load in Peoria.

Mr. Johnson observed that the Board will need rulemaking to define when an excursion begin. Such rulemaking would need to reflect that the gaming portion of the cruise would last the full four hours. Mr. Triggs stated that the agreement clearly calls for East Peoria to be the primary docking facility and that the question of when an excursion begins when the boat loads in Peoria was purposely left out of the agreement.

Mr. Gibson asked if there was consideration for the future docking of a second boat in Peoria since a license would allow the owner to operate two boats? Mr. Triggs responded that the agreement recognizes that a second boat would be docked in Peoria, but a second boat would be an overflow boat and would not replace the primary boat docked in Peoria.

Mr. Johnson asked what the ownership interest of D. James Jumer was under the agreement. Mr. Triggs responded that it was less than the statutory limit.

Chairman Kunkle observed that the Board has previously found three applicants on the Mississippi River suitable for licensing, and had decided that a fourth license for a suitable applicant docking in the City of East St. Louis, Illinois would be held open in compliance with statutory mandate. The Chairman recommended that the Board retire to Executive Session. Mr. Friedman asked the Chair for leave to make some observations and his recommendation concerning the application.

Mr. Johnson reminded the Board that the statute requirement for the awarding of licenses mandates one license for the Illinois River South of Marshall County and four on the Mississippi River. He observed that the Board has already found three applicants suitable for the Mississippi River and decided to hold one license open for a suitable applicant for docking in East St. Louis. He stated that due to these circumstances, that no additional licenses for the Mississippi River could be awarded for 1991.

Mr. Friedman stated that Mr. Johnson's observation was correct, especially in light of the Board's decision that the license for East St. Louis be held as open. He stated that the statute clearly identifies that one license be awarded to an applicant on the Illinois River, South of Marshall County.

Mr. Johnson asked the Chair whether the Board had the authority to award an additional license for the Mississippi if the application for the Illinois River was not found to be suitable.

Chairman Kunkle responded that the question was not yet before the Board and that he was unable to direct an answer until the question presented itself.

The Chairman asked Mr. Friedman to present his recommendation to the Board.

Mr. Friedman stated